

General Assembly  
January Session, 2009

**Raised Bill No. 6502**

LCO No. 3569

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Referred to Committee on Labor and Public Employees

Introduced by:

(LAB)

**AN ACT CONCERNING THE STANDARD WAGE FOR CERTAIN CONNECTICUT WORKERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 31-57f of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2009*):

(a) As used in this section: (1) "Required employer" means any provider of food, building, property or equipment services or maintenance listed in this subdivision whose rate of reimbursement or compensation is determined by contract or agreement with the state or any state agent: (A) Building, property or equipment service companies; (B) management companies providing property management services; and (C) companies providing food preparation or service, or both; (2) "state agent" means any state official, state employee or other person authorized to enter into a contract or agreement on behalf of the state; (3) "person" means one or more individuals, partnerships, associations, corporations, business trusts, legal representatives or organized groups of persons; [and] (4) "building, property or equipment service" means any janitorial, cleaning, maintenance or related service; (5) "prevailing rate of wages" means the hourly wages paid under the collective bargaining agreement covering the largest number of hourly nonsupervisory employees employed within the county of Hartford in each classification established by the Labor Commissioner under subsection (e) of this section, provided the collective bargaining agreement covers no less than 500 employees in the classification; (6) "prevailing rate of benefits" means the total cost to the employer on an hourly basis, under a collective bargaining agreement that sets the prevailing rate of wages, of providing health, welfare and retirement benefits, including, but not limited to, (A) medical, surgical or hospital care benefits; (B) disability or death benefits; (C) benefits in the event of unemployment; (D) pension benefits; (E) vacation and personal leave; (F) training benefits; and (G) legal services benefits, and may include payment made directly to employees, payments to purchase insurance, and the amount of payment or contributions paid or payable by the employer on behalf of each employee to any employee benefits fund; (7) "employee benefit fund" means any trust fund established by one or more employers and one or more labor

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organizations or one or more other third parties not affiliated with such employers to provide, whether through the purchase of insurance or annuity contracts or otherwise, benefits under an employee health, welfare or retirement plan, but does not include any such fund where the trustee, or trustees, are subject to supervision by the Banking Commissioner of this state or of any other state, or the Comptroller of the Currency of the United States or the Board of Governors of the Federal Reserve System; and (8) "benefits under an employee health, welfare or retirement plan" means one or more benefits or services under any plan established or maintained for employees or their families or dependents, or for both, including, but not limited to, medical, surgical or hospital care benefits, benefits in the event of sickness, accident, disability or death, benefits in the event of unemployment, retirement benefits, vacation benefits, legal service benefits, or training benefits.

(b) On and after July 1, 2000, the wages paid on an hourly basis to any employee of a required employer in the provision of food, building, property or equipment services provided to the state pursuant to a contract or agreement with the state or any state agent, shall be at a rate not less than the standard rate determined by the Labor Commissioner pursuant to subsection (g) of this section. In addition, each hourly nonsupervisory employee shall be granted time off with pay for any legal holiday. If a legal holiday falls on a Saturday or Sunday, employees shall be granted equivalent time off with pay on the Friday immediately preceding such Saturday or Sunday, or given another day off in lieu thereof.

(c) Any required employer or agent of such employer that violates subsection (b) of this section shall pay a civil penalty in an amount not less than two thousand five hundred dollars but not more than five thousand dollars for each offense. The contracting department of the state that has imposed such civil penalty on the required employer or agent of such employer shall, within two days after taking such action, notify the Labor Commissioner, in writing, of the name of the employer or agent involved, the violations involved and steps taken to collect the fine.

(d) The Labor Commissioner may make complaint to the proper prosecuting authorities for the violation of any provision of subsection (b) of this section.

(e) For the purpose of predetermining the standard rate of covered wages on an hourly basis, the Labor Commissioner shall establish classifications for all hourly nonsupervisory employees based on the applicable occupation codes and titles set forth in the federal Register of Wage Determinations under the Service Contract Act of 1965, 41 USC 351, et seq., provided that the Labor Commissioner shall classify all housekeeping aides as janitors. The Labor Commissioner shall then determine the standard rate of wages for each classification of hourly nonsupervisory employees which shall be [equivalent to] (1) the prevailing rate of wages paid to employees in each classification, or if there is no such prevailing rate of wages, the minimum hourly wages

set forth in the federal Register of Wage Determinations under the Service Contract Act, plus (2) the prevailing rate of benefits paid to employees in each classification, or if there is no such prevailing rate of benefits, a thirty per cent surcharge on the amount determined in subdivision (1) of this subsection to cover the cost of any health, welfare and retirement [plans] benefits or, if no such [plan is in effect between] benefits are provided to the employees, [and the employer,] an amount equal to thirty per cent of the [hourly wage] amount determined in subdivision (1) of this subsection, which shall be paid directly to the employees. The standard rate of wages for any employee, entitled to receive such rate on or before October 1, 2009, shall not be less than the minimum hourly wage for the classification set forth in the federal Register Of Wage Determinations under the Service Contract Act plus the prevailing rate of benefits for such classification for as long as that employee continues to work for a required employer.

(f) Required employers with employees covered by collective bargaining agreements which call for wages and benefits that are reasonably related to the standard rate shall not be economically disadvantaged in the bidding process, provided the collective bargaining agreement was arrived at through arms-length negotiations.

(g) The Labor Commissioner shall, in accordance with subsection (e) of this section, determine the standard rate of wages for each classification on an hourly basis where any covered services are to be provided, and the state agent empowered to let such contract shall contact the Labor Commissioner at least ten days prior to the date such contract will be advertised for bid, to ascertain the standard rate [of wages] and shall include the standard rate [of wages] on an hourly basis for all classifications of employment in the proposal for the contract. The standard rate of wages on an hourly basis shall, at all times, be considered the minimum rate for the classification for which it was established. Where a required employer is awarded a contract to perform services that are substantially the same as services that have been rendered under a predecessor contract, such required employer shall retain all employees who had been performing services under such predecessor contract for at least ninety days following or after the date of first performance of services under the successor service contract. During such ninety-day period, the successor contract shall not discharge without just cause an employee retained pursuant to this subsection. If the performance of an employee retained pursuant to this subsection is satisfactory during the ninety-day period, the successor contractor shall offer the employee continued employment for the duration of the successor contract.

(h) Each required employer subject to the provisions of this section shall (1) keep, maintain and preserve such records relating to the wages and hours worked by each employee and a schedule of the occupation or work classification at which each person is employed during each work day and week in such manner and form as the Labor Commissioner establishes to assure the proper payments due to such employees, and

(2) upon written request, submit to the contracting state agent a certified payroll which shall consist of a complete copy of such records accompanied by a statement signed by the employer which indicates that (A) such records are correct, (B) the rate of wages paid to each employee is not less than the standard rate of wages required by this section, (C) such employer has complied with the provisions of this section, and (D) such employer is aware that filing a certified payroll which it knows to be false is a class D felony for which such employer may be fined not more than five thousand dollars or imprisoned not more than five years, or both. Notwithstanding the provisions of section 1-210, the certified payroll shall be considered a public record and every person shall have the right to inspect and copy such record in accordance with the provisions of section 1-212. The provisions of subsections (a) and (b) of section 31-59, section 31-66 and section 31-69 which are not inconsistent with the provisions of this section shall apply. Any person who files a false certified payroll in violation of subdivision (2) of this subsection shall be guilty of a class D felony for which such person may be fined not more than five thousand dollars or imprisoned not more than five years, or both.

(i) This section shall not apply to contracts, agreements or grants which do not exceed forty-nine thousand nine hundred ninety-nine dollars per annum.

(j) On receipt of a complaint for nonpayment of the standard rate of wages, the Labor Commissioner, the Director of Wage and Workplace Standards and wage enforcement agents of the Labor Department shall have power to enter, during usual business hours, the place of business or employment of any employer to determine compliance with this section, and for such purpose may examine payroll and other records and interview employees, call hearings, administer oaths, take testimony under oath and take depositions in the manner provided by sections 52-148a to 52-148e, inclusive. The commissioner or the director, for such purpose, may issue subpoenas for the attendance of witnesses and the production of books and records. Any required employer, an officer or agent of such employer, or the officer or agent of any corporation, firm or partnership who wilfully fails to furnish time and wage records as required by law to the commissioner, the director or any wage enforcement agent upon request or who refuses to admit the commissioner, the director or such agent to a place of employment or who hinders or delays the commissioner, the director or such agent in the performance of any duties in the enforcement of this section shall be fined not less than twenty-five dollars nor more than one hundred dollars, and each day of such failure to furnish time and wage records to the commissioner, the director or such agent shall constitute a separate offense, and each day of refusal of admittance, of hindering or of delaying the commissioner, the director or such agent shall constitute a separate offense.

(k) Notwithstanding subsection (i) of this section, any employer that pays the state for a franchise to provide food preparation or service, or both, for the state shall be required

to certify that the wages and benefits paid to its employees are not less than the standard rate established pursuant to this section.

(l) The Labor Commissioner may adopt regulations, in accordance with chapter 54, to carry out the provisions of this section.

(m) The provisions of this section and any regulation adopted pursuant to subsection (l) of this section shall not apply to any contract or agreement entered into before July 1, 2000.

(n) As used in this section, (1) "employee benefit fund" means any trust fund established by one or more employers and one or more labor organizations or one or more other third parties not affiliated with such employers to provide from such trust fund, whether through the purchase of insurance or annuity contracts or otherwise, benefits under an employee health, welfare or retirement plan, but does not include any such fund where the trustee, or trustees, are subject to supervision by the Banking Commissioner of this state or of any other state, or the Comptroller of the Currency of the United States or the Board of Governors of the Federal Reserve System; and (2) "benefits under an employee health, welfare or retirement plan" means one or more benefits or services under any plan established or maintained for employees or their families or dependents, or for both, including, but not limited to, medical, surgical or hospital care benefits, benefits in the event of sickness, accident, disability or death, benefits in the event of unemployment, retirement benefits, vacation benefits, legal service benefits, or training benefits.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	31-57f

**Statement of Purpose:**

To tie the wage of certain employees in the state to the prevailing wage paid to the majority of workers of the same classification working in Hartford.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*

